



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
LOS ANGELES, CALIFORNIA 90012-3873
PHONE: (213) 974-8301 FAX: (213) 626-5427

WENDY L. WATANABE
AUDITOR-CONTROLLER

ASST. AUDITOR-CONTROLLERS

ROBERT A. DAVIS
JOHN NAIMO
JAMES L. SCHNEIDERMAN
JUDI E. THOMAS

September 15, 2011

TO: Supervisor Michael D. Antonovich, Mayor
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM:

Wendy L. Watanabe
Auditor-Controller

SUBJECT: **2009-10 COUNTYWIDE STATE GRANTS FINANCIAL COMPLIANCE
AUDITS**

The Chief Executive Office (CEO), District Attorney's Office (DA), and the Sheriff's Department (Sheriff) receive grants from the California Emergency Management Agency (CalEMA) and other State agencies. These grants require financial/compliance audits to ensure that State funding is used in accordance with applicable laws, regulations, policies, and procedures.

Through our Master Agreement, we contracted with an independent Certified Public Accounting firm, Mayer Hoffman McCann P.C. (MHM), for the required financial/compliance audits of Countywide State grant programs. MHM audited the 25 grant programs listed in Attachment A.

MHM reported their findings to the departments and copies of the reports have been sent to the appropriate State agencies. Of the total claimed costs of \$30,091,454, the reports identified questioned costs and disallowed costs totaling \$1,799 attributable to the DA. Of the total questioned costs, \$1,486 is a result of the DA inadvertently claiming a disallowed benefit item within the Retirement Debt Service Fund, for one grant. The remaining \$313 in disallowed costs is a result of over-claimed grant expenditures for another grant. Therefore, to remedy the over-claimed amounts, the DA has agreed to reimburse the State \$1,799.

The auditors did not identify any internal control issues but did identify a couple of immaterial compliance weaknesses. The impacted departments indicated they will take action to address the areas noted in the audit reports.

Due to the number of audit reports, copies of individual reports are not enclosed but can be made available for your review if necessary. Please call me if you have any questions, or your staff may call Lisa Cañada at (213) 974-8307 if you wish to review any reports.

WLW:JET:LC:MD:ic

Attachment

c: William T Fujioka, Chief Executive Officer
Steve Cooley, District Attorney
Leroy D. Baca, Sheriff
Ronald L. Brown, Public Defender
Sachi A. Hamai, Executive Officer, Board of Supervisors
Public Information Office
Audit Committee

2009-10 Countywide State Grants Financial Compliance Audits

Attachment A

	DEPARTMENT	STATE GRANTOR AGENCY	GRANT NUMBER	GRANT PROGRAM	AUDIT PERIOD		GRANT AMOUNT AUDITED
1	Chief Executive Office	Department of Education	CLPC-9019	Local Planning Council Program	7/1/09-6/30/10		\$ 377,788
2	Chief Executive Office	Department of Education	CRET-9018	Investing in Early Educators Program	7/1/09-6/30/10		\$ 4,113,234
3	Chief Executive Office	Department of Education	CCEL-9019	Centralized Eligibility List Program	7/1/09-6/30/10		\$ 488,825
						Subtotal	\$ 4,979,847
4	District Attorney	Department of Insurance	N/A	Automobile Insurance Fraud Program	7/1/09-6/30/10		\$ 4,631,381
5	District Attorney	Department of Insurance	N/A	Organized Automobile Fraud Activity Interdiction ("Urban Grant") Program	7/1/09-6/30/10		\$ 2,726,800
6	District Attorney	Department of Insurance	N/A	Workers' Compensation Insurance Fraud Program	7/1/09-6/30/10		\$ 5,255,545
7	District Attorney	Department of Insurance	N/A	Disability and Health Insurance Fraud Program	7/1/09-6/30/10		\$ 640,124
8	District Attorney	Corrections Standards Authority	CSA 183-09	Juvenile Offender's Intervention Network (JOIN) Program	7/1/09-6/30/10		\$ 257,296
9	District Attorney	California Emergency Management Agency	DC09100190	ClearingHouse Electronic Surveillance System (CHESS)	7/1/09-6/30/10		\$ 356,341
10	District Attorney	California Emergency Management Agency	EA08090190	Elder Abuse Advocacy & Outreach Program	7/1/09-9/30/09		\$ 52,034
11	District Attorney	California Emergency Management Agency	EA09100190	Elder Abuse Advocacy & Outreach Program	10/1/09-6/30/10		\$ 161,066
12	District Attorney	California Emergency Management Agency	SE09190190	Special Emphasis Victim Assistance Program	7/1/09-6/30/10		\$ 120,564
13	District Attorney	California Emergency Management Agency	SE09190190 - Augmentation	Special Emphasis Victim Assistance Program	7/1/10-9/30/10		\$ 51,312
14	District Attorney	California Emergency Management Agency	VV09010190	Stalking and Threat Assessment Team	7/1/09-6/30/10		\$ 266,667
15	District Attorney	California Emergency Management Agency	VW09280190	Victim Witness Assistance Program	7/1/09-6/30/10		\$ 3,427,269
16	District Attorney	California Emergency Management Agency	US08D40190	Project Safe Neighborhoods Antigang Initiative: Vertical Prosecution	7/1/09-9/30/09		\$ 25,996
17	District Attorney	California Emergency Management Agency	US09D50190	Project Safe Neighborhoods Gun Resource Prosecutor	10/1/09-6/30/10		\$ 52,345
18	District Attorney	California Emergency Management Agency	VB08060190	Vertical Prosecution Block Grant	7/1/09-6/30/10		\$ 1,193,900
19	District Attorney	California Emergency Management Agency	RV09010190	Victim Witness Assistance Recovery Act VAWA Stimulus	7/1/09-6/30/10		\$ 55,029
20	District Attorney	California Emergency Management Agency	VS09010190	VOCA Stimulus - Victim Witness Assistance Program	7/1/09-6/30/10		\$ 43,866
						Subtotal	\$ 19,317,535

2009-10 Countywide State Grants Financial Compliance Audits

Attachment A

DEPARTMENT		STATE GRANTOR AGENCY	GRANT NUMBER	GRANT PROGRAM	AUDIT PERIOD	GRANT AMOUNT AUDITED	
21	Public Defender	Corrections Standards Authority	CSA 161-09	Juvenile Accountability Block Grant (JABG) Program	7/1/09-6/30/10	\$	531,358
						Subtotal	\$ 531,358
22	Sheriff	California Emergency Management Agency	HT08090190	Southern California High Tech Crime Task Force	7/1/09-6/30/10	\$	2,623,403
23	Sheriff	California Emergency Management Agency	GV09050190	Antelope Valley Gang Violence Suppression Program	7/1/09-6/30/10	\$	322,631
24	Sheriff	California Emergency Management Agency	SF08030190	Los Angeles County Regional Sexual Assault Felony Enforcement Team (SAFE)	7/1/09-6/30/10	\$	1,124,262
25	Sheriff	California Emergency Management Agency	MH08030190	California Multi-Jurisdictional Methamphetamine Enforcement Team (Cal-MNET)	7/1/09-6/30/10	\$	1,192,418
						Subtotal	\$ 5,262,714
						TOTAL	\$ 30,091,454